

Agenda Item: 13-3

Meeting Date: October 14, 2004

California Bay-Delta Authority Meeting

August 11 and 12, 2004
650 Capitol Mall, Fifth Floor
Sacramento, California

SUMMARY OF MEETING ACTION ITEMS

Resolutions

Independent Science Board Nominations. The Authority approved Resolution 04-08-01 approving the nomination of Dr. Sam Luoma and Dr. Thomas Dunne to the Independent Science Board.

Program Plans and Criteria. The Authority approved Resolution 04-08-02 adopting criteria for approving future Program Plans and Resolution 04-08-03 approving the 2004 Program Plans for each CALFED Program area.

Delta Improvements Package (DIP). The Authority approved Resolution 04-08-04 as amended (Attachment 1) to adopt the Delta Improvements Package Implementation Plan and directed staff to work with implementing agencies to report annually on progress and make appropriate modifications as needed. Approval of the Implementation Plan was conditioned on receiving written support for the plan from the U.S. Bureau of Reclamation, U.S. Fish and Wildlife Services, NOAA Fisheries, U.S. Army Corps of Engineers, and U.S. Environmental Protection Agency.

Proposal Solicitation Process and Grant and Contract Approvals. The Authority adopted Resolutions 04-08-05, 04-08-06, 04-08-07, 04-08-08, 04-08-09, 04-08-10, 04-08-11 and 04-08-12 approving the upcoming proposal solicitation packages in the Ecosystem Restoration, Science, and Water Quality Programs and the awarding/recommending of grant awards in the Ecosystem Restoration, Watershed and Water Quality Programs.

Follow Up

Jones Tract. In response to questions raised by the Authority, the Department of Water Resources will send a letter to the State Water Resources Control Board and the Port of Stockton communicating the latest information about monitoring results and other specifics related to the fill material used on Jones Tract. Copies are to be provided to Authority members.

Note: Copies of the packet materials mentioned in this summary can be found on the California Bay-Delta Authority website at: <http://calwater.ca.gov> If you have any questions, please contact Heidi Rooks at (916) 445-0533.

Operations Criteria and Plan (OCAP). The Authority requested a presentation about the U.S. Bureau of Reclamation's (USBR) Operations Criteria and Plan and contract renewal process for the October Authority meeting.

Delta Improvements Package. Staff will reconcile differences between the Implementation Plan and the individual Program Plans.

California Bay-Delta Authority Meeting
August 11 and 12, 2004

MEETING SUMMARY

11-1. CALL TO ORDER AND INTRODUCTORY REMARKS

The meeting was called to order at 1:15 p.m., August 11, 2004, by Gary Hunt, Chair of the California Bay-Delta Authority (Authority) and Representative Member of the Bay-Delta Public Advisory Committee (BDPAC).

11-2. ROLL CALL AND ESTABLISHMENT OF QUORUM

Roll call was taken and a quorum was established. The following Authority members or designees were present for the meeting:

Public – Paula Daniels, representing the Southern California Region; Patrick Johnston, representing the Delta Region; Alfred Montna, representing the Sacramento Valley Region; and Daniel Wheeler and Marc Holmes, Members at Large.

Bay-Delta Public Advisory Committee Representative – Gary Hunt.

State – Lester Snow, Director of Water Resources (DWR); Ryan Broddrick, Director of Fish and Game (DFG) and designee Diana Jacobs; A.G. Kawamura, Secretary of Food and Agriculture (CDFA); Jim Branham and Beth Jines, designees for Terry Tamminen, Secretary of the Environmental Protection Agency (CalEPA); and Dave Spath, designee for Sandra Shewry, Director of Health Services (DHS).

Ex-Officio –Dennis O'Connor, designee for Senator Michael Machado, Chair of the Senate Agriculture and Water Resources Committee.

11-3. SUMMARY OF JUNE 9 AND 10, 2004 AUTHORITY MEETING

The meeting summary was approved as submitted.

11-4. DIRECTOR'S REPORT

Authority Director Patrick Wright noted the six non-voting Federal members of the Authority were not present but said efforts were underway to resolve issues about their participation raised with the California Fair Political Practices Commission (FPPC). He introduced Authority Legal Counsel Chris Stevens to provide an update on developments related to the FPPC and application of State ethics law to Federal officials.

Chris Stevens reported that language approved by the FPPC has been amended into SB 1353 (Perata) to clarify that State financial disclosure and disqualification requirements do not apply to Federal representatives operating in their official capacity on State boards and commissions, including the Authority. The Legislature is expected to act on the bill sometime after August 22, which should pave the way for Federal representatives to resume participation in the Authority's October meeting.

Jerry Johns, Deputy Director of the Department of Water Resources (DWR), was introduced to provide an update on levee repairs and related activities at Jones Tract. He reported that work crews closed the levee break at the end of June and began pumping out floodwater in mid-July. Pumping is expected to continue through the middle of October.

He noted that two issues had emerged in recent press accounts. The first involved concerns that material used to repair the levee may have come from a Port of Stockton site regulated by the State Water Resources Control Board (SWRCB). Mr. Johns reported that DWR officials have confirmed the material used did not come from the site in question but that testing showed there were elevated levels of metal in the material. He said DWR was working with SWRCB to develop a plan to monitor water quality impacts to determine if any remediation would be needed.

The second issue involved taste and odor impacts on some drinking water supplies from the Delta stemming from a blue-green algae bloom. The bloom on Jones Tract, which coincided with another algae bloom on the San Joaquin River, is expected to diminish in coming weeks.

Patrick Johnston asked if DWR had formally communicated monitoring results and other specifics related to the fill material to SWRCB and whether there were any letters or other records available to the public. DWR Director Lester Snow said DWR would send a letter to SWRCB and the Port of Stockton to communicate the latest information and offered to provide copies to Authority members.

Director Wright said the Director's Report would continue the following day with an overview of the recently released California Performance Review and specific recommendations related to the Authority.

11-5. LEAD SCIENTIST'S REPORT

Lead Scientist Johnnie Moore reported that the biennial CALFED Science Conference is planned for October 4-6 in Sacramento. Keynote talks will cover topics such as mercury, flood control, the future of California inland fisheries and levees.

Dr. Moore noted the August 2004 *Science in Action* piece called, "Demystifying the Delta," and reported on two future briefings planned for Authority members: Dr. Jeffrey Mount of the University of California at Davis has been asked to reprise his Science Conference presentation on levee integrity for the Authority at its October meeting, while Dr. Mike Dettinger of U.S. Geological Survey has been invited to speak at the December meeting on climate change implications.

Dr. Moore provided an update on Independent Science Board (ISB) activities and the agenda for ISBs September meeting.

Dennis O'Connor noted that the State budget approved by the Legislature directs the CALFED Science Program to report to the Legislature by January 10, 2005, with a plan outlining a research agenda to answer questions such as how much water is needed for full recovery of Delta fish species.

Dr. Moore said the ISB would discuss the issue in September, and that the plan would likely involve pulling information from many different areas. Some information already was compiled for the *Science in Action* piece previously mentioned. Dr. Moore said a plan would be submitted by January 10, 2005.

- **Resolution 04-08-01**

The Authority approved Resolution 04-08-01 approving the nomination of Dr. Sam Luoma and Dr. Thomas Dunne to the Independent Science Board.

Dr. Moore noted that the ISB is expected to grow as more programs begin to use advisory and review panels. ISB has identified several areas of expertise that would be beneficial to add, including disciplines such as natural resource economics, environmental/water, law, social geography, risk/decision analysis and innovation and change. Individual nominations for potential new ISB members from those disciplines are expected to come to the Authority in the future.

Several Authority members expressed reservations about adding a member with legal expertise, saying it could constrain the ability of the ISB to present an unfiltered look at science. Some members, including A.G. Kawamura and Al Montna, said it might be more beneficial to add a member with agricultural science expertise.

Marc Holmes said the ISB should remain independent and should have the discretion to add whatever expertise its members feel is needed.

Chairman Hunt directed Dr. Moore to convey to the ISB that it is the Authority's desire that the Board remain independent and thoughtful, and bring back the best science possible. Dr. Moore said he would take the Authority's comments to the

September ISB meeting and follow up with additional information at the October Authority meeting. Additional ISB nominations may be presented for consideration by the Authority at its December meeting.

Director Wright noted that the Science Program was created by statute to be an independent entity under the Authority, and that the Lead Scientist reports directly to the Authority and not to the Director. He said the arrangement gives the Science Program a unique ability to communicate directly with the Authority and that has allowed that program to attract top-flight scientists.

11.6. PROGRAM PLANS AND CRITERIA

Director Wright recapped the discussion at the December 2003 Authority meeting regarding progress and balance within the CALFED Program. He noted that some members wanted to make a finding of imbalance at that time due to delays and program-wide funding shortfalls--particularly in the areas of water quality, agricultural water use efficiency, levees and science. There were also concerns about staffing and contracting issues and the lack of Federal reauthorization of the CALFED Program. The Authority at that time directed staff to address the issues in the next round of Program Plans and also to develop a finance plan to identify funding needs and financing options.

Director Wright provided a status report on efforts to address each of these major concerns, and noted that progress is being made in several areas. He outlined the ongoing effort to develop three levels of performance measures to evaluate individual program areas. Examples of each level are: Level 1, administrative actions such as how much money was spent in each area; Level 2, direct outcomes such as how many miles of levees have been protected; and Level 3, "indicators" such as fish populations and avoided flood costs. The information ultimately will feed into the Program Plans to ensure that money is being invested where it should be to meet overall Program goals.

He walked through the planning and budget cycle for 2004-2005 and described proposed criteria that would be used to approve future Program Plans. He said the proposed Year 5 Program Plans lay out key activities for the coming year and attempt to address the past year's balance issues. He noted that the 2004 statement of progress would require a look back to assess progress in all program areas.

Dennis O'Connor referred to an August 10 letter from Senator Machado saying the proposed criteria are inadequate and requesting that the Authority defer action until outstanding issues are addressed. He also pointed to inconsistencies between schedules included in the Delta Improvements Package and those found in individual Program Plans.

Director Wright briefly described the contents of the Program Plans and highlighted some of the major activities in each area. He recapped key issues identified by BDPAC subcommittees in July and said he believed most of the concerns had been addressed. He then called on BDPAC subcommittee chairs to provide their perspectives.

Water Quality Subcommittee Co-Chair Greg Gartrell said two primary issues had been resolved relative to incorporating a budget for needed water quality projects and aligning the Program Plan with funding available through Proposition 50. The Subcommittee views the plan as appropriate for where the program is today.

Water Supply Subcommittee Co-Chair Steve Hall was not present at the time, but Director Wright noted the Storage Program Plan had been modified per the Subcommittee's request to highlight work underway to prioritize projects according to their benefits and cost-sharing partners.

Levees and Habitat Subcommittee Chair Tom Zuckerman said the Subcommittee still had concerns, including the approaching sunset on the State's authority over the Delta levee program and the gap between available funding over the next four years and the amount of funding needed. He also expressed concern that the Delta Improvements Package makes reference to the Levees Program Plan but the Program Plan is inadequate. He said he would prefer to reference the 10-year Finance Plan, which more adequately describes the level of funding/actions needed over the long term to move the program forward.

Al Montna requested that all changes to Program Plans be circulated to BDPAC subcommittee chairs again.

Watershed Subcommittee Co-Chair Bob Meecher said he thought issues relating to funding had been resolved, though there appeared to be questions about dollar amounts identified in the Finance Plan and uncertainty as to which agency will administer grant programs.

Resolutions 04-08-02 and 04-08-03. Adopting Criteria for Approving Program Plans and Approving 2004 Program Plans.

It was moved (Paula Daniels) and seconded (Alfred Montna) that Resolutions 04-08-02 and 04-08-03 be approved.

Discussion

Dennis O'Connor suggested deferring approval until a more clear and unambiguous set of criteria could be developed.

Paula Daniels said the proposed criteria are not perfect but do represent an incremental level of progress. She proposed approving the criteria and Program

Plans while moving ahead with developing more specific criteria for determining what constitutes balance.

Patrick Johnston said the California Performance Review recommendations call for CALFED to develop quantifiable performance measures to be tied to funding. He said he was sympathetic to Senator Machado's concerns but did not want to delay the process indefinitely by waiting until the issue is resolved completely. He said he would be more concerned by a lack of transparency in the process and expressed support for the motion.

Al Montna said the criteria and Program Plans are living documents that will be modified as CALFED moves forward. He restated his support for approving the motion.

Dennis O'Connor said he had taken a first cut at drafting more meaningful criteria and asked if the motion could be put over until the following day to give Authority members time to review his draft.

Chairman Hunt said there was no question that performance measures need to be effective and directed staff to work with Dennis O'Connor to incorporate his ideas and to make the technical changes necessary to align schedules in the Program Plans with those in the Delta Improvements Package.

The question was called and the motion was approved on a 9-2 vote. (Ayes - Beth Jines, Lester Snow, Ryan Broddrick, A.G. Kawamura, Dave Spath, Alfred Montna; Paula Daniels, Daniel Wheeler and Gary Hunt; Noes - Patrick Johnston and Marc Holmes)

11-7. 10-YEAR FINANCE PLAN – Informational Item

Kate Hansel, Assistant Director for Finance and Policy, updated members on the schedule and process for developing the 10-year Finance Plan. She said meetings are taking place through October to get stakeholder and agency input on funding targets, finance tools, cost sharing and other topics. Public workshops are scheduled for August 30 and later in September. Draft issue papers for each Program element are expected to be available at the September BDPAC meeting.

She said the schedule is designed to comply with deadlines for the Governor's budget that will be released in January 2005. While there are many outstanding issues in every Program area, the goal is to narrow those as much as possible by October and submit input to the Department of Finance in November for inclusion in the Governor's proposed January 2005 budget.

Chairman Hunt said the Finance Plan will redefine the CALFED Program for the next 10 years and provide a roadmap for moving ahead and evaluating progress.

He urged Authority members to educate themselves on the issues and come prepared to discuss them and make decisions at the October meeting. He suggested the possibility of scheduling informational briefings on the Finance Plan for Authority members before the October meeting and asked staff to forward all letters and correspondence on the Plan to Authority members.

11-8. PUBLIC COMMENT

Mindy McIntyre of the Planning and Conservation League said the Finance Plan lacks a meaningful discussion of which program elements will provide the most benefits. She said the PCL has released a draft Investment Strategy that identifies three top priorities: water conservation, water recycling and groundwater desalination. Investments in those three areas, she said, would provide most of the water needed to meet California's needs, yet they are underfunded in the CALFED Finance Plan.

She noted that a workshop is scheduled for August 25 on PCL's draft strategy, with a final document expected to be released in October.

Chairman Hunt said it would be helpful if a PCL representative attended the Finance Plan meetings and asked if the organization could prepare a matrix comparing the goals of its Investment Strategy with those of the Authority's 10-year Finance Plan.

Marc Holmes commented that he found the CALFED Program Plans to be intelligible and user-friendly, and commended Director Wright and the Authority staff for their efforts.

Director Wright credited the implementing agencies with putting together the work plans.

Chairman Hunt adjourned the first day of the meeting at 4:05 p.m.

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August 12, 2004

12-1. CALL TO ORDER AND INTRODUCTORY REMARKS

The meeting was called to order at 9:22 a.m. on August 12, 2004.

12-2. ROLL CALL AND ESTABLISHMENT OF QUORUM

Roll call was taken and a quorum was established soon after.

The following Authority members or their designees were present for the meeting:

Public – Paula Daniels, representing the Southern California Region; Patrick Johnston, representing the Delta Region; Alfred Montna, representing the Sacramento Valley Region; and Daniel Wheeler and Marc Holmes, Members at Large.

Bay-Delta Public Advisory Committee Representative – Gary Hunt.

State – Lester Snow, Director of Water Resources (DWR); Diana Jacobs, designee for Ryan Broddrick, Director of Fish and Game (DFG); Steve Shaffer, designee for A.G. Kawamura, Secretary of Food and Agriculture (CDFA); Beth Jines, designee for Terry Tamminen, Secretary of the Environmental Protection Agency (CalEPA); and Dave Spath, designee for Sandra Shewry, Director of Health Services (DHS).

Ex-Officio –Dennis O'Connor, designee for Senator Michael Machado, Chair of the Senate Agriculture and Water Resources Committee.

CONTINUATION OF DIRECTOR'S REPORT

Director Wright gave a brief overview of recommendations pertaining to the Authority and CALFED agencies in the recently released California Performance Review (CPR). Major proposals include moving the Authority and the DWR into a new Infrastructure Department, moving DHSs Drinking Water Division into CalEPA and eliminating SWRCB, Delta Protection Commission, and The Reclamation Board.

Specific recommendations include conducting an independent audit of the entire Program with an emphasis on performance measures and retaining approval authority for strategic plans and budgets.

Statewide public hearings on the CPR recommendations are planned in August and September.

12-3. DELTA IMPROVEMENTS PACKAGE ACTION PLAN

Director Wright reviewed recent discussions of the Delta Improvements Package (DIP) and described it as an effort to bring a suite of Delta-related actions into one package and update linkages and commitments to allow stakeholders and the public to track progress over time.

He said the DIP Implementation Plan before the Authority for consideration had evolved from a signed agreement to a living document designed to be revisited and reviewed each year. He said the shift was made in response to public

comments pointing to a need for an annual process to allow for adjustments and modifications as individual actions move forward. He noted that there were many outstanding issues with respect to individual elements of the package, and said they would be taken up during the environmental review process for each element.

Director Wright said that while debate continues over the level of assurances needed before individual elements are implemented, the DIP would provide transparency and allow discussions to continue.

DWR Director Lester Snow said the package provides a valuable cross-section of actions included in several different Program Plans. He noted that draft environmental documents are being prepared for the South Delta Improvements Program, including increasing pumping to 8,500 cfs and construction of permanent operable barriers. A public review process will follow release of the draft documents this fall

Tim Ramirez distributed a revised version of Resolution 04-08-04 and walked Authority members through the most recent changes, including the addition of a new "whereas" statement reflecting a commitment to the CALFED solution principles, including "no significant redirected impacts", and a reference to the CALFED implementation commitments, including project-specific "environmental documentation".

PUBLIC COMMENTS

The following comments from the public were made:

- Richard Jemison, chair of the Bay-Delta Task Force of the Southern California Water Committee, voiced support for the DIP and said it was time to move forward and reach the point where key decisions can be made. He noted that California's water system is not perfect but must work to meet the State's needs.
- Gary Bobker, senior analyst for the The Bay Institute and a member of BDPAC, said from a big-picture perspective there is evidence that California's water system already is over-allocated and increased exports from the Delta have the potential to do significant damage to environmental resources. He voiced concerns that regulatory standards for flows and water quality are not being met today and the plan lacks a serious commitment to meet them in the future. Mr. Bobker also expressed concern that the USBRs OCAP process was not subject to public review as part of the NEPA/CEQA process and said the DIP action plan is symbolic but is not a document that binds the implementing agencies to any commitments. He urged the Authority to leave the action plan as an informational item only or condition its approval on more meaningful commitments.

Chairman Hunt asked Mr. Bobker if there would be forums to address his concerns as part of the NEPA/CEQA process for individual elements of the package. Mr. Bobker responded that it was a question of visibility and commitment, and said the feeling in the environmental community was that the commitment on the part of the implementing agencies to follow through on meeting environmental standards was not necessarily serious.

Patrick Johnston noted that implementation of actions such as increasing pumping to 8,500 cfs would be dependent on certain conditions being met, and asked Mr. Bobker what specific language he would like to see added to strengthen that assurance.

Mr. Bobker asked what assurance mechanisms were in place and questioned whether there would be adequate review of other decisions such as OCAP as part of the DIP. He also asked where the package was in relation to the overall goals set by the ERP.

Diana Jacobs of the Department of Fish and Game (DFG) said DFG is required to analyze each project in the context of the larger ERP while keeping in mind that the entire program must go beyond the baseline and meet restoration goals laid out by the ERP.

- Steve Hall, Executive Director of the Association of California Water Agencies, said the DIP is consistent with the CALFED Record of Decision (ROD) and is a key milestone that must be met. He said implementing the DIP will provide significant flexibility that can be used for a variety of purposes, including water quality improvements and increased water supply reliability. Mr. Hall noted there is a legitimate need to commit the implementing agencies to meeting objectives, and said the NEPA/CEQA process will ensure those concerns are addressed or projects do not move ahead.
- Steve Evans of Friends of the River questioned why the DIP should be implemented when other key promises and commitments have not been met, including a fully functional Environmental Water Account. He urged Authority members to examine other commitments and defer moving forward with the DIP until they are met.
- Greg Gartrell of Contra Costa Water District said the DIP will allow the various elements to be fully evaluated in a way that would not be possible without a comprehensive plan. He said a stakeholder process should be launched immediately to discuss increased Delta pumping on an interim basis and that work should begin now to develop "off-ramps" to guide what happens when individual actions do not go according to plan. Grant schedules also need to be aligned with available funding, particularly in the area of water quality.

- Hal Candee of the Natural Resources Defense Council referred to written comments submitted to the Authority and questioned whether the DIP could be adopted without hearing a statement of commitment from USBR. He urged the Authority to defer action until it can be briefed on recent USBR actions relative to OCAP and long-term contract renewals and the potential impact on the DIP.
- Laura King Moon of the State Water Contractors called the DIP a balanced package that includes real actions and real commitments on the part of the agencies. She said it would provide flexibility to modify actions if needed and urged the Authority to approve it.
- Carna Herrickfeldt, representing Stockton East Water District, voiced support for the language regarding “no significant re-directed impacts”.
- Tim Quinn of Metropolitan Water District of Southern California said the Authority’s charge is to look at the complete package and determine whether it is balanced and consistent with the ROD. He noted that the DIP contains linkages that go beyond the ROD and urged approval of the package.
- Brent Walthall of Kern County Water Agency said the DIP is a compromise that represents the best efforts that can be done today. He said the document recognizes that modifications may be needed as conditions change and urged the Authority to approve it.

Authority Discussion

Dennis O’Connor said there were inconsistencies between the DIP schedules and those included in individual Program Plans. He said that without a firm commitment from USBR and other Federal agencies there is no way to know that all players agree to do what is outlined in the DIP.

Marc Holmes said important issues had been raised about Federal commitments and suggested that action be deferred until the Authority has support from a broad cross-section of agencies. He said he felt an obligation as a public representative to have statements on record from all Federal agencies as well as an opportunity to ask them questions. He noted that approval of the plan would be more legitimate if it took place when Federal representatives were not absent.

Dan Wheeler said he would be more comfortable if Federal representatives were there to state their support for the DIP.

Al Montna said much has been accomplished and described the DIP as a plan in progress that is consistent with the ROD. He moved approval of the Resolution.

Paula Daniels said she agreed with earlier comments that off-ramps are needed to respond when conditions are not being met. She said it is important to clearly identify the conditions that must be met before the increased pumping takes place and suggested putting off action of the plan until October.

Patrick Johnston said the Authority should act soon so it can move on to the Finance Plan in time to impact the budget process. He suggested amending the Resolution to condition approval of the plan on receiving written support for the package from Federal agencies referenced in the document.

Chairman Hunt said he, too, had questions for the Federal agencies but noted that at some point the Authority has to move forward. He directed staff to formally request that Federal representatives attend the next meeting to address questions on OCAP and contract renewals. He also directed staff to work with Dennis O'Connor to harmonize schedules and asked to include the DIP in the efforts to develop performance measures.

- **Resolution 04-08-04.** Approving the Delta Improvements Package Action Plan as amended per Patrick Johnston's suggestion to condition adoption on receiving written reports from the Federal agencies.

The Authority unanimously approved (11-0) Resolution 04-08-04, as amended (Attachment 1).

12-5. PROPOSAL SOLICITATION PROCESS, AND GRANT AND CONTRACT APPROVALS

Chairman Hunt said he would like to handle the next several items related to grant solicitations and approvals with two consent motions.

Authority Deputy Director Wendy Halverson Martin provided an overview of the upcoming proposal solicitation packages (PSPs) for the Ecosystem Restoration, Science and Water Quality programs. The first two are under the direct budget purview of the Authority, and the third will be administered by the Department of Health Services and the State Water Resources Control Board.

She also highlighted the proposed grant awards for the Ecosystem Restoration, Watershed and Water Quality Programs, and a proposed Science Program contract with the Association of Bay Area Governments.

12-5 A Ecosystem Restoration Program and Watershed Program

Bay-Delta Authority

1. **Resolution 04-08-05:** Approving Ecosystem Restoration Program Grants and Authorizing the Director, or Designee, to Process the Approved Grants
2. **Resolution 04-08-06:** Authorizing the Director, or Designee, to Proceed with the Ecosystem Restoration Program's 2004 Monitoring and Evaluation Grant Proposal Solicitation Package, Consistent with the Stated Priorities Solicitation, and Evaluation Criteria and Process, and Schedule.

State Water Resources Control Board

3. **Resolution 04-08-07:** Recommending to the State Water Resources Control Board that it Proceed with the Award of the CALFED Watershed Program Grant in Accordance with the Selection Committee's Recommendation.

12-5 B Science Program

Bay-Delta Authority

1. **Resolution 04-08-08:** Authorizing the Director, or Designee, to enter into a Contract with the Association of Bay Area Governments
2. **Resolution 04-08-09:** Authorizing the Director, or Designee, to Proceed with the Science Program Proposal Solicitation Package, Consistent with the Stated Priorities, Solicitation and Evaluation Criteria and Process, and Schedule

12-5 C Water Quality Program

Department of Water Resources

1. **Resolution 04-08-10.** Recommending to the Department of Water Resources that it Approve Grants for Regional Drinking Water Quality Planning

Department of Health Services

2. **Resolution 04-08-11.** Recommending to the Department of Health Services that it Proceed with its 2004 Proposition 50 Water Security and Safe Drinking Water Grant Proposal Solicitation Package, Consistent with the Stated Priorities, Solicitation and Evaluation Criteria and Process, and Schedule

State Water Resources Control Board

3. **Resolution 04-08-12:** Recommending to the State Water Resources Control Board that it Proceed with Adoption of its Proposed, Consolidated Guidelines for the Agricultural Water Quality and Section 319 Nonpoint Source Implementation Grant Programs

Resolutions 04-08-05, 04-08-07, 04-08-08, and 04-08-10 were unanimously approved (11-0) by the Authority.

Resolutions 04-08-06, 04-08-09, 04-08-11 and 04-08-12 were unanimously approved (11-0) by the Authority.

12-4. CALFED Bay-Delta Program Multi-Species Conservation: Reinitiation of Programmatic Consultation for Covered Species. Evaluation of Progress Toward Achieving Milestones and Efficacy of Environmental Water Account. – Informational item.

Diana Jacobs provided an overview of a formal effort underway to evaluate the efficacy of the Environmental Water Account (EWA) and progress toward achieving milestones in Stage 1 of the Ecosystem Restoration Program (ERP). The effort, known formally as a reinitiation of consultation under the Endangered Species Act, is a requirement of the CALFED Record of Decision (ROD) and a necessary step in updating the endangered species regulatory compliance for the entire CALFED Program.

She said the review has found that in general, ERP projects funded so far are contributing to the goals of the program on the schedule anticipated through Stage 1. The basic conclusion is that substantial progress is being made toward the milestones identified, and the EWA has been effective in reducing effects of water diversions on native Delta fish while providing water supply reliability to State and Federal projects exporters.

Chairman Hunt asked Gary Bobker whether the findings outlined by Diana Jacobs had been shared with the environmental community and whether there is buy-in with respect to progress made to date.

Mr. Bobker said more education and outreach could be done. He said the environmental community acknowledges there have been significant investments in habitat restoration but no comparable investments in flow improvements. He noted that better performance metrics are needed.

Marc Holmes said milestones are proposed actions believed to lead to desired outcomes. He noted that CALFED is moving toward identifying indicators and more direct linkages, a process that is inherently long and complicated. Monitoring is instrumental, he said, and will help provide the information needed to determine which actions net benefits and which do not.

12-6. Public Comment

No further public comments were received.

ADJOURNMENT

Chairman Hunt adjourned the meeting at 12:55 p.m.

Attachment: Amended Resolution 04-08-04

(As amended during the August 12, 2004 meeting of the California Bay-Delta Authority.)

CALIFORNIA BAY-DELTA AUTHORITY

RESOLUTION 04-08-04

ADOPTING THE DELTA IMPROVEMENTS PACKAGE IMPLEMENTATION PLAN

WHEREAS, the CALFED Record of Decision calls for a balanced approach to addressing water supply reliability, water quality improvement, ecosystem restoration, and levee system integrity, supported by sound science; and

WHEREAS, the State and Federal agencies will take actions related to State and Federal water project operations in the Delta over the next few years, and recognize that many of the proposed actions are interrelated and that decisions on key components must be coordinated; and

WHEREAS, the State and Federal agencies recognize the importance of coordinated decision-making and moving forward with a package of actions that is consistent with CALFED Program's principle of balance; and

WHEREAS, the State and Federal agencies recognize the Solution Principles, including "no significant redirected impacts," and the Implementation Commitments, including project-specific "environmental documentation," as stated in the CALFED Record of Decision apply to implementation of the Delta Improvements Package; and

WHEREAS, the staff from the agencies have developed the Delta Improvements Package Implementation Plan that clarifies the roles, responsibilities and commitments of the agencies in the implementation of programs, projects, evaluations and monitoring focused on the Delta region that advance the CALFED Bay-Delta Program goals in the areas of water supply reliability, water quality, ecosystem restoration, levee system integrity, and science;

NOW, THEREFORE, BE IT RESOLVED that the California Bay-Delta Authority adopts the Delta Improvements Package Implementation Plan, and directs Authority staff, working with the implementing agencies, to report on the Implementation Plan annually in the context of the development of the multi-year program plans, and to make appropriate modifications, as necessary.

BE IT FURTHER RESOLVED that the adoption of this resolution is conditioned upon the written support of the Implementation Plan from all of the Federal agencies listed therein.